

VZCZCXRO9079

PP RUEHAG RUEHAST RUEHBI RUEHCI RUEHDBU RUEHDF RUEHIK RUEHLH RUEHLN
RUEHLZ RUEHNEH RUEHPW RUEHROV RUEHSK RUEHSR RUEHVK RUEHYG
DE RUEHAH #0684 1540812
ZNR UUUUU ZZH
P 030812Z JUN 09
FM AMEMBASSY ASHGABAT
TO RUEHC/SECSTATE WASHDC 2897
INFO RUCPDO/DEPT OF COMMERCE WASHDC PRIORITY
RUEATRS/DEPT OF TREASURY WASHDC PRIORITY
RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE
RUCNCIS/CIS COLLECTIVE
RUCNMEM/EU MEMBER STATES COLLECTIVE
RUEHAK/AMEMBASSY ANKARA 5250
RUEHBJ/AMEMBASSY BEIJING 2986
RUEHKO/AMEMBASSY TOKYO 2851
RUEHIT/AMCONSUL ISTANBUL 3494
RUCNDT/USMISSION USUN NEW YORK 1017
RHMFIUU/CDR USCENTCOM MACDILL AFB FL
RUEHVEN/USMISSION USOSCE 3588
RUEAIIA/CIA WASHDC
RHEFDIA/DIA WASHDC
RHEHNSC/NSC WASHDC
RUEKJCS/SECDEF WASHDC
RUEKJCS/JOINT STAFF WASHDC

UNCLAS ASHGABAT 000684

SENSITIVE

SIPDIS

STATE FOR SCA/CEN, EEB

E.O. 12958: N/A

TAGS: [EFIN](#) [EINV](#) [ECON](#) [PGOV](#) [TX](#)

SUBJECT: TURKMENISTAN INTRODUCES NEW ANTI-MONEY
LAUNDERING AND COUNTER-TERRORISM FINANCING LAW

REF: 08 ASHGABAT 779

11. (U) Sensitive but unclassified. Not for Internet publication.

ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM
FINANCING ACT

12. (U) on May 29, State-run Russian-language newspaper "Neytralniy Turkmenistan" printed the full text of the newly adopted Anti-Money Laundering and Counter-Terrorism Financing Law of Turkmenistan. The Law's main objectives are to prevent and uncover activities associated with money laundering and terrorism financing. To achieve these goals, it provides for the establishment of a new state agency that is authorized to collect and distribute information, as well as to conduct analysis of suspicious transactions and activities. The Law states that Turkmen and foreign citizens who conduct financial transactions and activities in Turkmenistan are subject to the law. In addition, the Law prohibits state agencies from engaging in money laundering or terrorism financing. The Anti-Money Laundering and Counter-Terrorism Financing Law consists of five sections:

-- Section One: defines terminology used in the Law in detail;

-- Section Two: stipulates financial measures used in the combat against money laundering and terrorist financing;

-- Section Three: lists the responsibilities and functions of the state agency authorized to address anti-money laundering; (NOTE: The Law does not specify which of Turkmenistan's ministries or agencies will take charge of these matters. END

NOTE)

-- Section Four: stipulates cooperation of the designated state agency with international counterparts (NOTE: This section does not list any international organizations. END NOTE); and

-- Section Five: states when enforcement of the Law will commence, and attendant responsibilities for its implementation. (NOTE: The Law will take effect three months after the official announcement of its passage, on approximately August 28, 2009. END NOTE)

13. (SBU) COMMENT: The Turkmen government has been aware for many months that they needed to make progress in this area. On February 25, 2009, the Financial Action Task Force (FATF) named Turkmenistan -- along with Iran, Pakistan, Uzbekistan, and Sao Tome and Principe -- as needing to address deficiencies in anti-money laundering and combating the financing of terrorism. Local representatives of the World Bank and European Bank for Reconstruction and Development have not been able to review the law fully as of yet. In general, they are pleased that the law was finally adopted, but note the need for full implementation in order for the law to be truly effective (reftel). END COMMENT.